

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, April 19, 2016 at 7:00 p.m., with the following members present:

Brad Lail	Rudy Wright	Hank Guess
Vernon Tarlton	Aldermen	David P. Zagaroli
Danny Seaver		Jill Patton

A quorum was present.

Also present were: City Manager Mick Berry, Assistant City Manager Rodney Miller, Assistant City Manager Andrea Surratt, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Governmental Affairs Manager Yaidee Fox, and City Clerk Debbie D. Miller

- I. Mayor Wright called the meeting to order. All Council members were present.
- II. Invocation by Rev. Wil Posey, Associate Pastor, First United Methodist Church
- III. Pledge of Allegiance
- IV. Special Presentations
  - A. Presentation of a Proclamation for Building Safety Month to Members of Hickory Police Department's Code Enforcement.

City Manager Mick Berry asked Code Enforcement Supervisor Bobby Baker and Code Enforcement Officer Kent Sigmon to the podium.

Mayor Wright commented that these were two of the most talked about people in Hickory. Some people think they are doing too much to interfere with people's rights to their own property, and the other half of the people think they are not doing enough. They are charged with keeping the people safe in the various properties. Mayor Wright advised that the County's standards were not as high as the City's standards. Mayor Wright read and presented a Proclamation for Building Safety Month to Code Enforcement Supervisor Bobby Baker and Code Enforcement Officer Kent Sigmon.

Mayor Wright asked Alderman Lail if he served on the State's Building Code Council.

Alderman Lail commented that he had served at one time on the North Carolina Building Code Council.
- V. Persons Requesting to Be Heard
  - A. Mr. Ed Farthing – Concerns with HB2

Mayor Wright explained the public comment period. He asked Mr. Ed Farthing to the podium.

Mr. Ed Farthing addressed City Council regarding House Bill 2. Mr. Farthing commented that he was very concerned about the effects that House Bill 2, sometimes called "the bathroom bill", is having. He didn't think that there was a person in the room that would say that the publicity that the State of North Carolina has gotten over the last three weeks has been good. He thinks that it has substantially damaged the brand for the State of North Carolina and therefore by definition has substantially damaged the brand of Hickory, North Carolina. People know how important brand is. He referenced the agenda which contained the brand of the City of Hickory right on the top, "Life. Well Crafted." A brand is an important thing. He did not think that it was critical as to why the publicity had been the way was. He didn't think that it was critical whether you support or you oppose the underlying legislation. What he thinks is important is the "broom ha-ha" that has developed over that legislation. We are trying to get our children in Hickory to stay in Hickory. We are trying to get young people from around the country to come into Hickory, and we are trying to get the employers who will give those folks a job here in Hickory. He thinks the ruckus surrounding this bill is making that job harder. Who says so? The executive officers of 170 of America's leading companies say "the business community by and large has consistently communicated the lawmakers at every level that such laws are bad for our employees and are bad for business." This is not a direction in which States move when they are seeking to provide successful thriving hubs for business and economic development. Isn't that exactly what we are trying to do with our \$40 million dollars? Or how about Margaret Spellings, George Bush's Education Secretary who was running his Presidential library until she was recruited to, and came to be President of the University of North Carolina. She says "we are concerned about the kind of chill this law is having as it relates to the climate, the culture, the goodwill that we attempt to engender on university campuses as it relates to free expression, diversity and our ability to recruit students, faculty and staff." She did not say could be, or might be, she said it is. Or North Carolina State Economist Mike Walden of the conservative John Locke Foundation who told the Federal Observer this week "the corporate opposition to the anti-LGBT law will force the General Assembly to rewrite the legislation or the economic damage to the State will continue to increase." Those are not just light comments made by some random people. Or how

about “we deplore the law signed into legislation that is HB2, we believe this law is pernicious and discriminatory and moves our society backwards. We wholeheartedly add our voice to the chorus of fair minded citizens calling for its repeal”, Andy Bray, Vanguard Furniture. He proposed that we as a City say we are working hard to create an economic and community environment that will entice our young folks to stay home which will also attract their peers from around the country and want to attract the employers that will allow them work in a diverse and creative workplace. That the perception created by HB2 and the publicity that it has generated is not helpful to our goals and that is our hope as the City of Hickory, that the Legislature will take another look at HB2 and fix it. To do nothing is affirming the legislation. It's taking a side. Silence is assent. He did not think that was a good option. Instead of sitting here and remaining invisible he thinks the City of Hickory should standup tall, proudly, and say we Hickory, North Carolina, we are open for business. He thanked Council and advised that he had the letter that the 170 companies had signed. He distributed a copy of that letter to Council.

- B. Ms. Robin Gentry, 758 5<sup>th</sup> Avenue SW, addressed Council regarding Code Enforcement at Williamsburg Apartments. She discussed her personal history about living in the City of Hickory. She had lived at 758 5<sup>th</sup> Avenue SW for as long as she could remember. Their house was built in 1954 and they moved there in 1964. She advised that Williamsburg Apartments, located at 740 5<sup>th</sup> Avenue SW, had been there for numerous years. Their house is located beside Williamsburg Apartments and they see the back of them every day. They put up with trash that is in the back of these apartments on the patios. She advised that the tenants are given a dumpster for the disposal of their garbage that is provided by the owner. She advised that Richard Armstrong was the owner of the apartments, as well as the owner of Armstrong Cars in Longview. She had contacted Mr. Armstrong numerous times. She had also contacted the many property management companies that she has seen come and go over time. Currently they have Miller and Associates, which she felt was not doing their job. She formerly worked for LA Properties and the owners of the properties that managed would instruct them to repair the rental properties or seek professional services to repair the properties as deemed by the property owners. She advised that these apartments have been neglected for many years. She advised that she had seen Code Enforcement officers all the way back to Sheila Winstead and these apartments have been giving trouble ever since that time. She advised that from Marina Spagnolo's aspect, she has to do a certain amount of what her duty is as far as what her job consists of. The last thing that she was told by Ms. Spagnolo was that the City has to give a certain amount of time for owners to be able to make repairs and make adjustments. She commented that it doesn't take time to make repairs and make adjustments or to go pick up trash off of patios. She stated that she had pictures dating back to 2015. The trash visible in pictures taken two days ago remains. That is irresponsible and totally against any way that she was raised, and what the City of Hickory stands for. She didn't feel that it was being taken care of the way it was supposed to be taken care of. She stated that she was very much in rejection of the way it had been taken care of. The property owner gave her excuses that he had been trying to do this, or that, or sell this property. She commented that it doesn't take anything to take care of your property. She advised that the doors are falling off the apartments and they have to look at it every day. She commented that she was tired of it, and she was speaking for her mother who was 79 years old. She advised that she lived with her mother and takes care of their property. She has had enough of all of the excuses.

Ms. Gentry addressed concerns with Animal Control. She commented that she had enough of all of the excuses from Animal Control. There had been many times that she had called regarding dogs that are running loose in the neighborhood that don't seem to be able to be caught. They are eluding everyone. If she had a tranquilizer gun she could have shot these dogs 15,000 times and they would have been able to come and pick up the dog. The dogs come in her yard and make a mess and terrorize her dogs. They have their dogs in their proper kennels, and they have their rabies shots, like they are supposed to do, and they follow the law. She commented that Code Enforcement Leash Law is part of Code Enforcement. She spoke with Melissa Christy in regards to this and Ms. Christy personally gave her an email address and Ms. Christy was going to personally try to work with her and take care of it also.

Ms. Gentry discussed problems with Habitat for Humanity that was below their house. She advised that she has no problem with anyone at all, she didn't care what color they are. She advised they have responsibilities as a citizen, just as she does. She commented that these people that have bought these homes and have qualified for these homes think they own the road. He mother had spent \$2,400 dollars several years ago to have the road paved in front of their home. She reiterated these people think they own the road. She has asked several times to have a speed limit sign and a speed bump to stop the traffic from racing up and down the road. She had also asked for no parking which is on the other side of the road which keeps people from blocking them in their driveway. They have a driveway that you pull in and you have no choice if you pull in you have to back out. They have people all the time doing this to them. They pay their taxes and have a mortgage just like everyone else does. She advised that she had known Alderman Guess' wife for several years. She advised that she had a barn down Harris Farm Road near Alderman

Guess' home. She commented that they keep their barn cleaner than some of these houses that are in Habitat for Humanity that they do not take care of. She advised that there is trash that brings all different kinds of vermin and things like that. If they are right next door to her house, where do you think they are going to be? They are going to be right there. If you have trash laying on these porches of this Williamsburg Apartments and you got dogs running loose that the Animal Control doesn't seem to be able to catch, where do you think the trash lands? The trash lands in her yard that she has to pick up. She commented that she didn't work for the City of Hickory, she doesn't get paid from the City of Hickory. She felt that this needed to be brought to Council's attention and maybe something can be done about it if her voice can be heard at all. She hoped that Council would take what she had said into consideration. She thanked them for their time.

- C. Ms. Michelle Mathis, 425 25<sup>th</sup> St SW, addressed Council on House Bill 2 (HB2) and its negative effects on employment, education, and our community. HB2 is about more than just bathrooms. It is about turning back the clock on well-established forms of workplace discrimination. Simply put, it obstructs progress like a brick wall and since it is reeling back in time, to a time in history that most people today would consider dark and oppressive. North Carolina changed its public policy in the 1980's to protect its citizens against workplace discrimination regardless of race, sex, national origin, religion, disability, and age. In other words discriminatory employers could be held accountable. Indeed countless North Carolinians have used this as a means to protect themselves from these specific forms of discrimination. With HB2 this becomes null and void. Buried deep in the much discussed and debated HB2 the seeming harmless language states that no person may bring a civil action based upon the public policy expressed herein. Eliminating civil actions simply means citizens cannot sue. And not being able to sue puts worker rights in jeopardy. For the first time in decades those wrongfully terminated are left with only Federal Discrimination Laws, which are largely inferior to the now invalid State discrimination claims. North Carolina now joins Mississippi as the only two states that do not offer their citizens protection under the law against the most basic forms of discrimination. HB2 is catastrophic for all North Carolinians not only those discriminated against by their employers. For a State that loves to talk about growth, North Carolina is doing all it can to turn-off the very people that it is trying to attract. Forward thinking, talented people won't want to live in a State that blatantly encourages discrimination and is now effectively sanctioning basic forms of workplace discrimination. And the business community isn't exactly thrilled either. As Mr. Farthing had mentioned nearly 200 major companies have come out against HB2. Education funding for our children will be part of the fallout unfortunately. North Carolina schools will lose billions in Title 9 funding by discriminating against transgender students, for which they will be forced to do so under the law. These funds designated to promote equal opportunity for students from marginalized and disadvantaged backgrounds will be sorely missed, particularly in low income and in rural districts that have already experienced budgetary problems. Our State government has effectively mortgaged the future of our youth. Many want to blame one side or the other for not being tolerant about another person's beliefs, but that is not the real issue? Some would have us looking for a clear enemy and an easy solution. However, HB2 is not that solution. This bill is a bad decision made for the wrong reasons to solve a problem that didn't exist. Too many people are all too willing to get caught up in a firestorm of fear and misinformation because they would rather not do the work of researching and understanding complex issues. This fear has become a driving force that is not only dividing our State, it is stripping our local government of its rights to govern. Hickory City Council has long demonstrated its ability to operate our fair town. The Council is responsive and most importantly it listens to its citizens. She asked Council to listen as Mr. Farthing and others spoke. The citizens of Hickory elected Council to be their government for a reason. They rely on Council's ability to govern them locally and they don't want Raleigh making Council's decisions for them. She pleaded for Council to not let them down, and not support HB2. She thanked Council.
- D. Mr. Cliff Moone, 2925 8<sup>th</sup> Street Court NE, addressed Council. He advised that State Representative Jay Adams was present to hear the things being said and to consider them. He commented that it is his, and others in the Legislature's prime responsibility to deal with and continue to work on the issues before us that affect us in so many ways. He advised that he had spoken twice in the paper about House Bill 2 and about its affects. He seconded what Ms. Mathis and Mr. Farthing had said wholeheartedly. He referenced the Council meeting two weeks ago in which Mayor Wright was presenting a Proclamation for Fair Housing Week for the Association of Realtors. In that Proclamation Mayor Wright was reading about the Association's commitment to being a non-discriminatory agency and working hard for that. Included in the Housing Association's non-discriminatory statement is a statement that includes not discriminating on the basis of gender identity as well as the other things that we normally have had before us before. He has had a great concern for a longtime, that the State Legislature seems to be moving in directions, over and over again, that constrain our urban centers and our local cities on various ways. This is just another one of those ways. Some of the things that the Legislature has done have affected us financially in Hickory for our tax base and other things. This bill doesn't affect that so much, unless it affects what we all believe it has affected. Whether people will move here. Whether people will bring their businesses here. Whether we will be able to accomplish

the dreams we have through the bond referendum of changing the quality of life so that the people who come here will have a great place to live and that everyone will share the same rights. As they are constraining you, House Bill 2 constrains you, but the real thing before us is House Bill 2, no matter what it says at the moment, it has no enforcement provision whatsoever. When he first heard that he couldn't believe it. He went and read the bill and there is no enforcement provision. Representative Dan Bishop, co-sponsor of the bill said that in the paper as well. He didn't know what House Bill 2 did and how Council, Police or anybody enforces this bill. But it does constrain the citizens from suing in the State Courts. It does constrain Council from making their own rules about how discrimination or any other kinds of factors will be handled in our City. If we really believe in local small government it ought to start with Council not with Raleigh.

- E. Ms. Susan Smith Walker addressed Council on HB2 in support of the others who had spoken already on the serious concerns about HB2. She commented that this is not just in theory, it is bad for North Carolina on a higher level. Two Hundred companies, whether they are present in North Carolina or not, are opposed to HB2 and what is happening here in our State. She spoke on behalf of her friend, Kenny Pritchard, who had worked for a furniture company for 30 years, J.E. Ekornes (from Norway), located in Morganton. She advised that the company had called all of the employees into the Staff room and told them that if HB2 was not repealed they would go back to Norway, and all of them would lose their jobs. They have no intentions of staying in North Carolina when a law such as this has been passed that allows discrimination against any of their employees, which they believe that it would. Mr. Pritchard was concerned about what he would do if he lost his job. He is in his mid-50's and this is the only job that he has ever had. She advised that she spoke on behalf of him and all of the others in the State of North Carolina who may lose their jobs over HB2. Not only the jobs that want come here but the jobs that are here that may be gone as a result of this bill. She thanked Council.
- F. Ms. Lynn McCloud Dorfman, 102 20<sup>th</sup> Avenue NW, advised that she and her husband had retired here from Washington DC two years ago. They had heard from friends who lived near them what a great community this is. They had followed friends who had told them what a great community it is. When they came they agreed and they wanted to recruit other retirees to come here to contribute to the economy and the quality of life and HB 2 has made that really challenging. She hoped that Council would speak up on behalf of the citizens, and she was glad that Mr. Adams was present.

Mayor Wright thanked everyone for their input and for the decorum. He commented that he was sure, just like across the State, and across this City, within this room, we have varying opinions and everyone listened respectfully to hear what they had to say.

VI. Approval of Minutes

A. Regular Meeting of April 5, 2016

Alderman Tarlton moved, seconded by Alderman Seaver that the Minutes of April 5, 2016 be approved. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Tarlton seconded by Alderman Seaver and the motion carried unanimously.

VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

Alderdwoman Patton moved, seconded by Alderman Lail that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderdwoman Patton seconded by Alderman Lail and the motion carried unanimously.

- A. Approval of a Contract to West Carolina Freightliner, LLC in the Amount of \$118,089 for the Purchase of a 2017 Freightliner Tandem Axle Road Tractor with Glider Kit. (First Reading Vote: Unanimous)
- B. Approval of Auditing Contract with Martin Starnes & Associates. (First Reading Vote: Unanimous)
- C. Approval of the Community Relations Council's Recommendation for Funding of Seven Grants totaling \$7,300. (First Reading Vote: Unanimous)
- D. Budget Ordinance Amendment Number 21. (First Reading Vote: Unanimous)
- E. Grant Project Ordinance Amendment Number 6. (First Reading Vote: Unanimous)



- F. Consideration of Rezoning Petition 16-01 for Approximately .48 Acres of Property Located at 225 S NC Highway 127. The Petition is to rezone the Property from High Density Residential (R-4) to Office & Institutional (OI). (First Reading Vote: Unanimous)
  - G. Consideration of Rezoning Petition 16-02 for Approximately 2.44 Acres of Property Located at 826 21<sup>st</sup> Street Drive SE, 828 21<sup>st</sup> Street Drive SE, 857 23<sup>rd</sup> Street Court SE, 863 23<sup>rd</sup> Street Court SE, 903 23<sup>rd</sup> Street Court SE and a Portion of 830 21<sup>st</sup> Street Drive SE. (First Reading Vote: Unanimous)
- VIII. Consent Agenda: All items below are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

Alderman Guess moved, seconded by Alderwoman Patton approval of the Consent Agenda. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderman Guess seconded by Alderwoman Patton and the motion carried unanimously.

- A. Approved on First Reading a Landscape Grant Agreement in the Amount of \$792.50 to Tar Heel Properties of Hickory, LLC for Property Located at 1091 13<sup>th</sup> Street NE.

City Council created the Landscape Grant program in 1999 to provide economic incentives for property owners to improve the general appearance of non-residential properties located within the City. The Community Appearance Commission reviews applications for the grant program and forwards a recommendation of approval or denial to City Council. The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$2,500. The grant proposal put forth by Tar Heel Properties of Hickory, LLC, involves the installation of new landscape materials around the perimeter of an existing commercial office building. The applicant has provided two bids for the landscape installation and qualifies for a \$792.50 grant. The Community Appearance Commission, at their March 28, 2016 regular meeting, voted unanimously (6-0) to recommend funding of the requested grant.

- B. Approved on First Reading a Landscape Grant Agreement in the Amount of \$792.50 to Caddle Investments, LLC for Property Located at 1311 10<sup>th</sup> Avenue Lane SE.

City Council created the Landscape Grant program in 1999 to provide economic incentives for property owners to improve the general appearance of non-residential properties located within the City. The Community Appearance Commission reviews applications for the grant program and forwards a recommendation of approval or denial to City Council. The grants are designed as a reimbursement grant in which the City of Hickory will match the applicant on a 50/50 basis. The maximum grant amount from the City of Hickory is \$2,500. The grant proposal put forth by Caddle Investments, LLC, involves the installation of new landscape materials around the perimeter of an existing commercial office building. The applicant has provided two bids for the landscape installation and qualifies for a \$792.50 grant. The Community Appearance Commission, at their March 28, 2016 regular meeting, voted unanimously (6-0) to recommend funding of the requested grant.

- C. Approved a Special Events Activities Application Unifour Area March for Babies, Rebecca Moser, Community Director, March of Dimes, April 23, 2016, 7:00 a.m. to 1:00 p.m., L.P. Frans Stadium, 2500 Clement Boulevard NW, Hickory.
- D. Approved a Special Events Activities Application, Sails Original Music Series, Dana Kaminske, City of Hickory Communications and Marketing Manager, May 6, 13, 20, 27; June 3, 10, 17, 24; and September 2, 9, 16, 23, 30, 2:00 p.m. to 9:30 p.m., Sails on the Square Stage in Downtown Hickory.
- E. Approved a Special Events Activities Application, Reading New Testament of Bible, Dr. Kathy Johnson, Pastor, Greater Shekinah Glory Church, May 4, 2016, 7:30 a.m. to 9:00 p.m., Julian G. Whitener Municipal Building.
- F. Approved a Special Event Activities Application, Wrestling at L.P. Frans Stadium, Pete Subsara, Director of Promotions & Community Relations, June 4, 2016, 10:00 a.m. to 11:00 p.m., L.P. Frans Stadium, 2500 Clement Boulevard NW, Hickory.
- G. Approved a Special Event Activities Application, Foster Parent Appreciation Day, Megan Hildebran, Foster Parent Recruiter/Trainer, Catawba Social Services, May 21, 2016, 3:00 p.m. to 9:00 p.m., L.P. Frans Stadium, 2500 Clement Boulevard NW, Hickory.

- H. Approved a Special Event Activities Application, Swinging Under the Stars, Tony Eltora, Executive Director, Hickory Music Factory, May 29, 2016, 12:00 p.m. to 10:30 p.m., Sails on the Square, Downtown Hickory.
- I. Approved a Special Event Activities Application, Hickory Choral Society (HCS) Pops Concert – Sound of the 60's, Dana Kaminske, Communications & Marketing Manager, May 15, 2016, 2:30 p.m. to 8:30 p.m., Sails on the Square, Downtown Hickory.
- J. Approved on First Reading an Agreement for Professional Services with McGill Associates in the Amount of \$196,400 for the Geitner Basin Sewer System Rehabilitation Project.

The Geitner basin sewer system rehabilitation project consists of complete replacement of the large diameter outfall from Highway 70 at Harvest Bible Church to US Highway 321 along the stream and the second part of the project is a number of point repairs, manhole rehabilitations, service lateral replacements and main line replacements in the area bounded by Highway 70, US Highway 321, 4<sup>th</sup> Street Drive SW, and 2<sup>nd</sup> Avenue SW. This project was approved for funding by the North Carolina Department of Environmental Quality (NCDEQ) State Revolving Fund in the amount of \$3,519,475. The engineering, planning, design, and construction expenses necessary to complete this work are eligible expenses for reimbursement from the State Revolving Loan program and were included in the application package for requested funds. This project has been approved by NCDEQ State Revolving Program for funding. Staff recommends Council's approval of the agreement for professional planning, design, construction administration, and inspections services with McGill Associates for Geitner basin sewer system rehabilitation project in the amount of \$196,400.

- K. Approved Applying for a Grant through Firehouse Subs for a Laser-Driven Fire Extinguisher Training System.

The fire department has offered fire extinguisher training for local businesses for many years. This hands-on training consists of setting a small fire and then having employees extinguish the fire with a dry chemical fire extinguisher. As a method to save funds and reduce pollution, the fire department would like to apply for a grant to purchase a laser-driven fire extinguisher training system. This system eliminates time consuming cleanup and expenses associated with using an actual extinguisher. Using a laser to replicate extinguisher discharge, this new system can be used indoors and will simulate class A, B, and C fires at ten levels. The public and citizens will benefit from this system by eliminating their exposure to hazardous materials and by providing training on proper fire extinguisher use that otherwise would not be provided. The fire department requests approval to apply for a grant through Firehouse Subs for an estimated \$17,105 to purchase the extinguisher training system. There are no matching funds required by the City of Hickory. If awarded the grant, Firehouse Subs would pay 100 percent of this purchase.

- L. Approved a Resolution of Support for the Western Piedmont Bicycle Plan.

The Western Piedmont Council of Governments (WPCOG) has recently completed the Unifour Region's bicycle plan known as the Western Piedmont Bicycle Plan (WPBP). Representatives from the City of Hickory, other regional local governments, and the State have been assisting the WPCOG with this project. Public input was incorporated throughout the planning process. The City's Inspiring Spaces Plan (2014) and Sidewalk, Bikeway, Greenway, and Trail Master Plan (2005) were incorporated into the WPBP. The purpose of the plan is multi-faceted. The plan aims to promote bicycle use as an important alternative transportation mode, increase bicycle infrastructure connectively, promote bicycle use to all age groups, utilize bicycling to encourage healthier lifestyles, and strengthen the economic impact of bicycling. The plan has been adopted by Alexander, Burke, Caldwell, and Catawba Counties. City Staff have been a part of the planning process as members of the Steering Committee to ensure Hickory was represented throughout the multi-year long process. The plan reflects previous bicycle related planning efforts performed by the City of Hickory, as well as, the Bond Commission's work to ensure a harmonious overlap. Staff recommends City Council adopt a Resolution of Support of the Western Piedmont Bicycle Plan.

RESOLUTION 16-03  
A RESOLUTION FOR ADOPTION OF THE  
WESTERN PIEDMONT BICYCLE PLAN

WHEREAS, NCDOT's Bicycle and Pedestrian Division provides funding and technical assistance to develop comprehensive regional bicycle plans, and

WHEREAS, the Greater Hickory MPO initiated the Western Piedmont Bicycle Plan, including the counties of Alexander, Burke, Caldwell, and Catawba; and

WHEREAS, the NCDOT provided funding for the Western Piedmont area for a regional bicycle plan due to its history of coordination and collaboration on land use, transportation, and economic development issues; and

WHEREAS, Greater Hickory MPO recognizes a need to promote alternative modes of travel to reduce congestion, improve air quality, increase tourism, promote recreation, improve health, and increase safety for existing bicyclists and motorists; and

WHEREAS, the Western Piedmont Bicycle Plan and its supporting text were developed with input from a wide range of constituents and public input from residents to reflect local conditions and preferences; and

WHEREAS, Greater Hickory MPO will consider implementation of the Western Piedmont Bicycle Plan through the recommended implementation strategies as listed in the plan; and

WHEREAS, representatives from Alexander, Burke, Caldwell and Catawba Counties participated on the Western Piedmont Bicycle Plan Steering Committee.

- M. Called for a Public Hearing For Consideration of the Community Development Block Grant 2016 Annual Action Plan. (Authorize Public Hearing for May 3, 2016)
- N. Approved on First Reading the Microenterprise Grant Agreement with CNC for Hire.

The 2015-2016 Community Development Block Grant Annual Action Plan has \$10,000 allocated towards assistance for entrepreneurial activities. According to the US Department of Housing and Urban Development, a microenterprise is a business that has fewer than five employees, one of whom is the owner of the business. The program offers grants of up to \$4,000 for low to moderate income business owners for business property, inventory, necessary fixed assets, marketing and business promotion, or other improvements approved by the Business Development Committee. Applicants are required to submit a business plan and have a counseling session with a local business support organization. Bryan O'Neal has applied for a Microenterprise Grant to support and enhance his business, CNC for Hire. The business provides computer controlled cutting services to provide custom wood parts for furniture, signs, moldings, and other items. The Business Development Committee reviewed the application and recommends approval of the grant in the amount of \$3,000. The grant funds will be used for business promotion and additional equipment for the business. The Business Development Committee recommends Council's approval of the Microenterprise Grant agreement with CNC for Hire in the amount of \$3,000.

- O. Approved on First Reading Acceptance of the Offer to Purchase City-Owned Property Located at 159 12<sup>th</sup> Street Court SE in the Amount of \$78,000.

Community Development Block Grant (CDBG) funds were used to purchase and rehabilitate the home located at 159 12<sup>th</sup> Street Court SE. Because the property was purchased and renovated with CDBG housing rehabilitation and purchase program funds, the property must be sold to a low or moderate income buyer and who will occupy the home as a principal residence. Staff has received an offer on the property for \$78,000, which is slightly below the asking price of \$79,900. However, the buyer is asking for the \$2,000 in closing cost assistance. This will help reduce the out of pocket expense for the buyer. The property has been listed for sale with Hickory Real Estate Group since July 2015. Staff feels that this offer is fair in light of the income and owner occupancy restrictions on the home. Since the home is being sold to an income eligible buyer as affordable housing, NCGS §157-9 authorizes the City to sell the property without using a competitive sale or upset bid process. The competitive sale requirement would be incompatible with the income and ownership restrictions that are necessary due to the use of CDBG funds to purchase and rehabilitate the property. Staff recommends acceptance of the offer to purchase City-owned property at 159 12<sup>th</sup> Street Court SE.

- P. Approved the Citizens' Advisory Committee Recommendations for Assistance through the City of Hickory's Housing Programs.

The following request was considered by the Citizens' Advisory Committee at their regular meeting on April 7, 2016:

- Vickesha Lawrence, 1407 16<sup>th</sup> Avenue NE, Hickory, was awarded a City of Hickory's Housing Rehabilitation Loan in the amount of \$4,310.00. She received the loan in 2006 and has made payments in a timely manner. The loan amount to date is \$2,325.17. Ms. Lawrence is in need of replacing her plumbing in the house. The Citizen's Advisory Committee recommends approval to increase her loan to \$10,000.00. This would include the remaining \$2,325.17 currently owed with an additional \$7,674.83.

Funds are budgeted for this item through the City of Hickory's former Rental Rehabilitation program income and/or program income received through the City of Hickory's Community Development Block Grant Program. The Citizens' Advisory Committee recommends approval of the aforementioned request for assistance through the City of Hickory's housing assistance programs.

- Q. Approved on First Reading Budget Ordinance Amendment Number 22.

ORDINANCE NO. 16-18  
BUDGET ORDINANCE AMENDMENT NO. 22

BE IT ORDAINED by the Governing Board of the City of Hickory, that pursuant to Section 15 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2016.

SECTION 1. To Amend the General Fund, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
TOTAL		

SECTION 2. To provide the additional revenues for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	5,873	5,873
TOTAL	5,873	5,873

SECTION 3. Copies of the budget ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- R. Approved on First Reading Grant Project Ordinance Amendment Number 7.

ORDINANCE NO. 16-19  
GRANT PROJECT ORDINANCE AMENDMENT NO. 7

BE IT ORDAINED by the Governing Board of the City of Hickory that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, that the following amendment be made to the grant project ordinance for the duration of the project.

SECTION 1. To amend the FY 2013 Assistance to Firefighters Grant, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Project	5,873	-
Public Safety	-	330,816
TOTAL	5,873	330,816

To provide the additional revenue for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Restricted Governmental Revenues	-	324,943
TOTAL	-	324,943

SECTION 2. Copies of the grant project ordinance amendment shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- IX. Items Removed from Consent Agenda – None

- X. Informational Item

- XI. New Business:

- A. Public Hearings

- B. Departmental Reports:

1. Quarterly Financial Report

City Manager Mick Berry asked Assistant City Manager and Chief Financial Officer Mr. Rodney Miller to the podium to present Council with the quarterly financial report.



Assistant City Manager Rodney Miller presented a PowerPoint presentation. He advised it was the quarterly report for the third quarter ending March 31<sup>st</sup>. He showed a pie graph and explained it was for different revenue sources that the City receives, the General Fund, the primary operating fund of the City, the largest fund and how the fund receives its revenue. He pointed out the Ad Valorem Taxes, which is property tax revenue that citizens pay in the City of Hickory. It brings in about 63 percent of the revenue in the General Fund. He pointed out Permits, Fees, Sales, and Services, which were larger last year. Council can primarily set the level of those fees as well as you can raise or lower the property tax up to \$1.50 per one hundred. The next item was Sales & Other Taxes (25 percent) as well as Investment Earnings (1 percent). Those are economy driven so in a thriving economy those revenues increase and in a stagnant economy those revenues will decrease, based on how much people spend and what the interest rate environment looks like. The final two categories were Intergovernmental and Other. Intergovernmental would be as the name implies revenues from other governments like Catawba County that provides funding for Patrick Beaver Library for example, or State funding that we receive for various things in the City. He showed a chart and noted the City's annual budget of \$51 million dollars in the General Fund, of which the City had received revenue to date, through March, of almost \$40 million dollars for a total of 77 percent of revenues received in this fiscal year. On the expenditure side he pointed out the columns for the various departments of the City, the actual expenditures, compared to the annual budget column. He advised that it showed the percent of the budget that had been spent compared to the annual budget. He advised that we are at 75 percent, or three quarters of the year complete. We do not want to be overspent in these line items for departments. There are some exceptions, such as departments that don't have staff in them like public buildings, to keep up City Hall for example, or repairs and maintenance to this building. Those expenditures have already been spent for the year which is why that line item is about 84 percent of our budget complete. Overall the City had spent about 70 percent of the expenditures compared to receipt of 77 percent of revenues. That is a good financial position to be in. He pointed out encumbrances which are contracts that the City had let to businesses, suppliers, any type of vendor that funds have already been committed to. He had accounted for those funds as well at \$1.8 million dollars. He advised that the "snapshot" today would say that we have received \$39 million dollars in revenues compared to almost \$36 million dollars in expenditures, so we are \$3 million dollars, revenues over expenditures today. That will change through the end of the fiscal year because our expenditures are basically one-twelfth because a lot of those are salaries whereas the largest revenue source, Ad Valorem Taxes, we have received almost all of those already this year. Our expenditures will outweigh our revenues for the rest of the fiscal year.

Mr. Miller referenced the invocation by Reverend Posey which was the City to have a more thriving economy. He hoped that the next slides would show that we are on the right path in the City of Hickory. He discussed Building Permit Activity. He compared 2015 to 2016, fiscal year through nine months of activity. It was broken down into residential and commercial building permits. He advised that the numbers were slightly up as far as the number of permits. Residential was up five permits to date, commercial was only up one. A total of three percent increase. He advised that the value was what really needed to be looked at. The value of residential and commercial combined was almost \$21 million dollars through this time last year. We had received almost \$28 million dollars in value in the current year. He advised that one area of concern was the residential building permits are still not increasing. Overall the value was 37 percent higher than a year ago. He listed some activities that the City had which included: K&M Collison, a beautiful building that just opened; two Sheetz gas stations, one opened, and one soon to be open. City Council saw US Conec at their last meeting, they are going to add jobs and expansion of their business. Fastenal on Lenoir Rhyne Boulevard is set to open soon, as well as an 80 unit apartment complex off of Startown and Short Road that Council had also heard about. Publix off of 29<sup>th</sup> Avenue which will be a "boom" to the City. We would like to see these continue to increase.

Mr. Miller discussed the Property Tax Revenues over the last three years. He pointed out that we hadn't had a lot of growth in property tax revenues. He advised from 2014 to 2015, .06 percent in property tax base. That is not a thriving economy. He commented to take this year's 6.36 percent with a grain of salt. That includes a tax rate increase that we had this year. That replaced the Privilege License decrease in revenues that we had the year before. We increased taxes approximately \$1.1 million dollars to offset the loss of Privilege License tax revenues which was factored into the number for 2016. If you take that number out, our net increase was approximately 1.47 percent from last year. It is not gain busters but it is growth. It is certainly a lot better than .06 percent. We hope that building activity continues. As businesses relocate and or expand they bring jobs

with them and they bring revenues because those employees and the citizens then spend money within the City.

Mr. Miller discussed Sales Tax Revenues. He advised there was a State component of that and a local component of that. Statewide sales tax revenues are significantly higher, about 5 percent on average in most communities. The City of Hickory had seen an increase of 6.31 percent this year compared to last year. He pointed out that last year's growth was over nine percent. He commented that this is one revenue source that we are hopeful that it continues. People continue to spend those dollars in Hickory so that we can capture some of those revenues for our City.

Mr. Miller discussed the Water and Sewer Fund. It is paid for exclusively from fees generated by water and sewer bills and related revenues. There are no tax dollars included in this fund. He pointed out the budget which was approximately \$30 million dollars for the Water and Sewer Fund. We received \$22.5 million dollars to date through March, which was right at 75 percent of the budget. On the expenditure side we had spent, including encumbrances, a little over \$18 million dollars on a budget of \$30 million dollars, which was a little over 60 percent of the budget spent. Through March 31<sup>st</sup>, we are approximately \$4.3 million dollars revenues over expenditures. He commented that they were pleased about the water and sewer activity. The City had planned for this for years because of the infrastructure that the City wanted to do to make the City of Hickory a regional water and sewer provider for the region.

Mayor Wright asked about the water plant total, year to date actual \$1.6 million, budget for the year \$5.6 million. He asked if we were going to spend that, or had we saved that, or it is a timing issue where we will spend it later this year.

Mr. Miller confirmed with Public Services Director Mr. Chuck Hansen that was for a contract for a generator. The City had not spent all of those dollars. He advised it was approximately three million dollars to replace the generator at the water plant.

Mayor Wright questioned the amount that had been spent of the three million.

Mr. Miller advised \$1.6 million to date. He did not know how much that would be over the next three months, but those would be encumbrances that would be rolled over for that contract. Council let that contract in November. We had only spent 28 percent year to date of that particular budget.

Mayor Wright commented that it would be nice to hold on to some of that.

Mr. Miller commented that those funds were committed, unfortunately, but it would be.

Mayor Wright asked of that four million, some of that was not committed.

Public Services Director Mr. Chuck Hansen advised that the project had just started.

Mr. Miller commented that part of that \$4.3 million dollars would not be spent at the end of year. He advised that he couldn't give them a figure now, but he is working on it.

Mayor Wright interjected or how much it is going to be next year.

Mr. Miller commented or how much it is going to be next year. He discussed Outstanding City Debt – 2016. In light of the bond projects, which had gotten off to a good start, they had worked long and hard, some more than others, on those bond projects and committed to issuing debt to pay for the \$40 million dollar bond referendum. He displayed a graph of where the City stands related to its debt today. Out of the City's debt we currently have \$40 million dollars in outstanding debt. He explained the categories, the largest being the Water and Sewer debt. The sewer plant was the biggest driver in that. The rest of the debt is relatively small. He advised that the 12 percent for TDA was paid for exclusively by occupancy tax revenues. That debt is completely funded by an alternative revenue source. No property tax dollars or sales tax dollars are going into that. That was for the parking deck and the convention center expansion. That left three other categories of debt which were two percent, one percent and one percent. He advised that the two percent were the recreation facilities, in fact that debt will be paid off year after next. There was economic development which was for the North Carolina Data Campus and the City's partnership with the County and the City of Conover. As well as public safety which was a radio system project with Hickory Police Department. He advised that the debt was very minimal. He

advised that the debt per capita, which is the benchmark used to compare the City with other cities across the State, the City of Hickory was a little less than \$1,000 per resident of debt at the end of last fiscal year. The average of our 20 similar size cities, 25,000 to 50,000 population range, was over \$1,600 dollars. The City of Hickory does not have a lot of debt, which is a good thing. The Local Government Commission which is part of the State Treasurers Office actually does a calculation of how much debt that they will allow cities and counties to issue. He reminded Council that the debt that the City will enter into has to be approved by the Local Government Commission. They have oversight over cities and counties based on a threshold and a term. They tell the City per their calculation that we are at almost 11 percent of our total debt capacity, so we have excess capacity to issue. He advised that he would not recommend spending all of that or issuing all of that, but we do have excess capacity for our \$40 million dollars obviously. He advised that the credit rating of the City was a big deal. When the City goes to issue debt they want the lowest rate possible. He advised that the City has an "AA" credit rating, which was kind of in the middle of the pack, for similar size cities in our area. They would talk to the rating agencies in light of the bond projects, unemployment rate, and the local economy increasing. He advised they wanted to push for Moody's, and Standard and Poor's, who currently don't rate the City but they will when the City issues debt associated with the bond projects, to improve upon this rating. He advised that they think that the City is an "AA plus", or an "AA 1" rated City. That is the rating that Mr. Miller would push for, with Council's assistance, for them to give the City that higher rating. He advised that Moody's has three ratings within the "AA" category; "AA 3" was the lowest, "AA 2" and "AA 1". "AA 1" is the next closest thing to an "AAA" rated city. There are several cities and counties, he advised about ten cities and seven or eight counties that are "AAA" rated in North Carolina. He stated that is where the City needs to get to.

Mayor Wright commented that the City needs to get there, but he wanted people to understand that the reason the City was not there was not because of the physical responsibility, responsible positions stability. It is the demographics.

Mr. Miller advised that was 100 percent correct. He advised that the City was three times the national average in manufacturing in this community and twice the State average.

Mayor Wright commented and the same level of higher education attainment.

Mr. Miller responded correct.

Mayor Wright commented that is really the reason that the City is not "AAA" anyway, in his opinion. He commented that four percent of the City's debt, which is a tiny amount, is not self-funded. Mayor Wright felt that was a testament. He commented starting back with Tim Inch the City had clawed and scratched and gotten that number down. When the City issues the bonds, it is important that people understand that the voters of Hickory voted to access about \$1,000 a piece per capita, which is a heavy amount, which is being paid over 20 years.

Mr. Miller advised that the City could decide that at that time, the City is planning on 20 years.

Mayor Wright commented that on annual or monthly basis it is not as tremendous as you might think.

Mr. Miller concluded his presentation and asked if Council had any questions, and or if there were other financial statistics or information that they would like to receive in the future.

2. Authorized Staff to Apply for TIGER Grant Funding from the US Department of Transportation.

The TIGER Discretionary Grants provide funding of up to 80 percent of project costs in urban areas for surface transportation infrastructure projects that will have a significant impact on the nation, a region, or metropolitan area. There is a \$5 million dollar minimum funding request this year. The City of Hickory's TIGER request for the total project cost will be \$25.4 million dollars. The grant will serve as the catalyst for the City's economic development initiative, which is focused on revitalizing city infrastructure and connecting the Central Business District to surrounding neighborhoods, commerce, recreational and education facilities. The project was discussed as a priority focus area by the City of Hickory during the Inspiring Spaces Master Plan initiative. The City's grant application would focus on improvements along Main Avenue from 4<sup>th</sup> Street NW to Lenoir-Rhyne University, 1<sup>st</sup> Street SW to the Ridgeview Library and Recreation Center, 9<sup>th</sup> Street NW, and Lenoir Rhyne Boulevard SE from Tate Boulevard to I-40. These segments closely

represent the connectivity of the Bond Program recently approved by City Council upon recommendation by the Bond Commission. Staff recommends that City Council authorize staff to apply for the TIGER Discretionary Grant in the amount of \$25,400,000 with a cash match of \$6.35 million dollars.

City Manager Mick Berry asked Assistant City Manager Andrea Surratt to the podium and discuss with City Council the application to the Federal Government for a TIGER Grant.

Assistant City Manager Andrea Surratt discussed the TIGER Grant application. She referenced page 252 of the agenda package which contained details about the TIGER Grant. The TIGER Grant was the Transportation Investment Generating Economic Recovery grant. It was the USDOT's national competition grant for surface transportation. Cities and rural areas across the country apply for this type of grant. This was the 7<sup>th</sup> year of this grant application process. Last year the base threshold for a project scope was \$10 million dollars and they reduced it to \$5 million dollars for the base threshold. The match is 80/20 for urban areas which is what Hickory is categorized as. They had worked on a slightly revised application from last year. They had two debriefings and pre-application conference calls with USDOT after the application was reviewed. They got some great feedback. They heard that they needed to be more articulate about the statistics around quality of life. They had been partnering with Catawba County's obesity study. They have a walkability as well that is in Hickory. They are using that data for some of the statistics for quality of life. They also heard that they need more data about crashes, fatalities, and casualties on these transportation routes. Sadly that strengthens the application because it shows greater need. They also heard that it needed to have severability, which means the project needs to be able to be segmented up into chunks so DOT could say that they will fund certain portions, or not just ask for the whole package without showing them how they could break it up into smaller bites. They heard that access to low to moderate income areas, cultural areas, to connecting the education institutions in our community, medical facilities, and employment centers was also something that they could strengthen on the application. She referenced the agenda (page 252) which summarized the main components. Last year it was strictly just the City Walk and its full costs. This year it was the greenway spine, \$11.2 million dollars. They had added a section, referred to as the ribs of the spine, or the book walk, which is a section that takes a north/south orientation taking a segment of roadway from the Ridgeview campus, where the library is, up to Patrick Beaver Library and connecting to City Walk and through City Walk from a north/south perspective. That segment gives access to all the features she had mentioned, education, low to moderate income, the SALT Block, Lenoir-Rhyne and all of those features. That particular segment is outside the scope of the bond program right now. The intent would be to just ask for design as a cost that gets covered by the TIGER grant, as well as construction. If we don't get the TIGER grant then that projects goes back on the pages of the Inspiring Spaces Plan and we seek funding at another time. It is not a part of the bond program as it stands today. She advised that the Depot Station parking depot was also another component. Second Avenue realignment is the traffic circle along the City Walk just east of the 127 pedestrian bridge. They added two streetscapes and they felt that it strengthens the application too because it keeps us in the vein of transportation. The Lenoir Rhyne Boulevard streetscape has some strong crash data, but here is a chance to seek improvement. Streetscape nine, which is 9<sup>th</sup> Street and Main Avenue connector at the west end of the City Walk also gives us some strength for the application. She advised that the application was \$25.4 million dollars as a project total, which would take us through City Walk, the ribs, two streetscapes and the depot station parking deck. That amount of money was similar to last year, but what was different about it, was they had figured out that the application really only generates 37 percent in new dollars that the USDOT would have to pay for. Because they are recommending that they draw forward the State Transportation Improvement Plan (STIP) grant for \$9.6 million for City Walk. You add that to what the City is doing as their match, which is \$6.3 million dollars, they are only out new monies 37 percent, for a 75/25 match grant. They are trying to show them how well we can make our application in terms of saving them money and they get credit for a State project. She advised that the process was similar, on or before April 29<sup>th</sup> they would need to submit the application. There are letters of support and Staff had worked tremendously hard to get those letter. They had well over 20 letters and would probably end up with 30 letters at least in the application itself going to DOT. They will move into a process where they will ask for emails and calls to DOT. They would plan a trip to DC to meet with USDOT and they will work the angles that they know to strengthen the application. She advised that the Bond Commission meet at 5 o'clock and reviewed the Resolution. They voted unanimously to send a recommendation to Council for support of the TIGER grant application and how it is structured this year. Staff asked for approval of the Resolution to go into the packet for the grant.

Alderman Lail thought that the way the package had been put together, the fact they were giving USDOT \$25 million dollars for the improvements for only \$9.4 million dollars was a very compelling feature.

Alderwoman Patton moved seconded by Alderman Zagaroli approval of the Resolution to apply for the TIGER Grant Funding from the US Department of Transportation. The motion carried unanimously.

Mayor Wright announced that the motion was made by Alderwoman Patton seconded by Alderman Zagaroli and the motion carried unanimously.

RESOLUTION 16-04  
RESOLUTION AUTHORIZING THE CITY OF HICKORY TO SUBMIT AN APPLICATION TO THE US DEPARTMENT OF TRANSPORTATION FOR THE 2016 TRANSPORTATION INVESTMENT GENERATING ECONOMIC RECOVERY (TIGER) GRANT

Intent/Purpose:

WHEREAS, on or before April 29, 2016 the City of Hickory will apply to the US Department of Transportation for the 2016 TIGER Grant. This will be the second year for a submittal by the City of Hickory, and the scope of the project has been amended to more closely reflect the work of the Bond Commission for the Bond Program. The project scope includes:

- The City Walk Greenway,
- Two additional segments (ribs) connecting the Ridgeview area to the SALT Block to provide access to higher education (LRU), public libraries, arts and science, low-moderate income neighborhoods, and medical facilities,
- A Pedestrian Bridge over Hwy 127,
- The Depot Station Parking Deck,
- The 2<sup>nd</sup> Avenue Realignment,
- Lenoir Rhyne Boulevard Streetscape, and
- The 9<sup>th</sup> Street NW Streetscape.

TIGER Scope Elements	Estimated Project Cost
City Walk Along Main Ave	
Greenway Spine	\$11,200,000
Ribs (2)	\$3,500,000*
Pedestrian Bridge	\$1,700,000
Depot Station	\$3,000,000
2 <sup>nd</sup> Avenue Realignment	\$900,000
Streetscape 4 (LR Blvd)	\$3,200,000
Streetscape 9 (9 <sup>th</sup> Street/Main Ave Connector)	\$1,900,000
	\$25,400,000

\*Note: This segment was not in the Bond Program recommendation but could be added if grant funding is secured for design and construction through the TIGER grant.

A total estimated project cost of \$25.4 million dollars has been identified for the grant submittal based upon the projects above. The request includes an acceleration of the NCDOT STIP funding (Statewide Transportation Improvement Program) for City Walk, currently scheduled to receive funds from NCDOT for construction in 2020. This TIGER grant request is based upon a 25% match from the City of Hickory of \$6.35 million of the total project. The minimum amount of match is 20%. However, the balance of 75% or \$19.05 million is made up of the NCDOT STIP grant and its City match to make the TIGER grant application only require \$9.45 million in new DOT funds. See table below.

Hickory Local Match for TIGER Request	25%	\$6,350,000
Hickory Local Match for STIP	8%	\$1,920,000
STIP Allocated	30%	\$7,680,000
TIGER Request	37%	\$9,450,000
		\$25,400,000

NOW, THEREFORE BE IT RESOLVED that the City of Hickory is hereby authorized to submit a TIGER grant application in the amount of \$25.4 million dollars and will commit 25% or \$6.35 million as a cash match.

City Manager Mick Berry commented that at Council's last meeting on April 5<sup>th</sup> Council had a discussion and asked for this to be an item for discussion on this agenda. He advised that Staff did not have a formal presentation to make. They did have statistics of all of the meetings, and the different things that had gone on if Council wanted them to share, if they so desired. He advised that it was an opportunity to discuss their thoughts on the Housing Authority, where we have been and what, if anything, they would like to do moving forward.

Mayor Wright commented that he didn't know if they needed a motion or resolution on this. He clarified for the people in attendance who had not been party to the discussion that had been had. It became clear that Council was not going to have a voluntary merger. An involuntary merger would be very painful and involve finding ways to get Housing Authority members off the Housing Authority. He wasn't saying that it couldn't have been done, but it would have been painful. Council would have been in a position of having to offer sharp criticism of some very fine outstanding citizens and friends. Council's action initially was they felt that a rift between the Housing Authority and HUD, as evidence by some reports that Council received, indicated that they should take the action of seeking a voluntary merger in order to have a healthy relationship and perhaps get back about \$500,000 of assessment that they levied against the Housing Authority that is having to be paid at \$25,000 per year. Council became aware in a conference call that no one at HUD will now characterize a rift, or unhappiness with the Housing Authority. He recommended Council make it clear that they do not have any reasonable authority over the Housing Authority, because they don't, and they will continue to merely appoint their board members unless it were to become clear that HUD was demanding they do something else. If HUD gets to that position they can do whatever they want to themselves, which was his opinion.

Alderwoman Patton felt that Council might be a little premature. She thought that Matt Fallaw of the Housing Authority Board was going to visit HUD next week. He had an appointment on the 26<sup>th</sup>. They are still at a zero threshold, so that discomfort with the Housing Authority and how they have been spending their money is still there. She felt Council should proceed with asking for a change in their Board to get a different mix of new people on the Board so they can work through some of that so Council has a comfort level with their Board and the amount of oversight that they have. She thought that was one of the most compelling things that she had read in the letter. The absolute lack of oversight that the Board currently had. She felt like they could work towards it, but the COG certainly has all the processes and procedures, a constant turnover in the oversight and that is something that is sadly lacking in the Housing Authority.

Mayor Wright commented unless Council would have a means at a State level to nullify the Board appointment responsibility they had been given, then they will have the opportunity to carefully access who they are appointing, and look at the mix of genders, races, and various other elements of getting a good diverse Board. However, having no reasonable authority, he was hesitant to offer them advice on what they ought to do.

Alderwoman Patton commented that she believed that there was a group that met and that said if Council so chose they would do the right thing if that is what Council wanted and merge. She asked if that was correct.

Mayor Wright commented that he had not heard that. He had not heard that from members of that Board.

Alderman Patton believed that it was in Matt Fallaw's office.

Mayor Wright commented honestly he did not remember that, or if he did hear it, he didn't consider it to be a sincere statement.

Alderwoman Patton commented that she took him at his word.

Alderman Lail asked if Council was considering whether they would remove Board members. He asked what Council was considering. In his mind the transfer to COG was not an option. COG is not a redevelopment commission. Council thought they were at the time the motions were made. It is not, so therefore....

Mayor Wright interjected you could still do a voluntary merger with them.

Alderwoman Patton stated yes.

Alderman Lail advised that there had been no indication. Voluntary means that everybody wants to do it.



Mayor Wright stated that Council would not have a voluntary merger.

Alderman Lail asked what Council had to discuss.

Mayor Wright commented that the discussion was whether Council carried forward. There is no longer an opportunity for a voluntary merger, if there ever was. He could see as an ongoing basis, if Council still has the responsibility for appointing Board members, which he would personally like to get out of, let them appoint their own Board members. But if Council still has that responsibility then he thinks Council can work some change in the future without going back and saying to our friends and the Board members, that you just have not done the job and we don't want you there anymore.

Alderman Lail advised that he was not in favor of removing any Board members.

City Attorney John Crone advised that there was no action required unless Council wanted to take some action. He advised that this was updating Council. They knew the history before, during, and now where we are. He did not see any movement toward a voluntary merger with the Commission based on his conversations with their lawyers in the past. That is not to say it couldn't happen, but he didn't see any movement as of today.

Alderman Seaver asked if HUD didn't think it was a big problem were they going to forgive that \$500,000.

Mayor Wright commented that is between HUD and Housing Authority. He thought that is where Council was. Everything is between HUD and the Housing Authority except occasionally Council will appoint Board members unless Council can get something through the Legislature that would eliminate that perception of responsibility, with what he called no reasonable authority. You don't have reasonable authority when all you have is an atomic bomb. That is where Council is. He commented that Alderman Guess, Alderwoman Patton and he had been closely involved. He shared, that with this and many other things there had been a lot of times that he would have been better off not to say anything. He felt everyone was adults and deserved to know what was going on and what perceptions are and what the realities are.

4. Appointments to Boards and Commissions

CITIZEN'S ADVISORY COMMITTEE

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
Small Cities Project Area      Paul Carswell Resigned 4-6-16  
(moved out of the project area)

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
Other Minority      VACANT

HICKORY REGIONAL PLANNING COMMISSION

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)  
(Appointed by City Council)  
Burke County      (Mayor to Nominate)      VACANT Since 8-6-2008  
Brookford      (Mayor to Nominate)      VACANT Since 6-2006

INTERNATIONAL COUNCIL

(Appointed by Mayor with the Concurrence of City Council)  
(7) Positions      VACANT

Alderman Seaver nominated Ira Roberts III, as a representative on the International Council.

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
Ward 3      VACANT

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)  
Ward 3      VACANT

WESTERN PIEDMONT COUNCIL OF GOVERNMENT UNIFORM AIR QUALITY COMMITTEE (Meets Quarterly, 10:00 a.m., (Third Tuesday in the Month), 1 to ½ hour meetings)

Delegate to replace former Alderman Meisner

Alderman Lail advised that he would volunteer to serve as the delegate on the Western Piedmont Council of Government Unifour Air Quality Committee.

Mayor Wright nominated Alderman Lail as the delegate on the Western Piedmont Council of Government Unifour Air Quality Committee.

Mayor Wright moved seconded by Alderman Seaver approval of Alderman Lail as the delegate to the Western Piedmont Council of Government Unifour Air Quality Committee. The motion carried unanimously.

Mayor Wright announced that the he moved seconded by Alderman Seaver and the motion carried unanimously.

(Note: The motion and vote for approval of Ira Roberts to the International Council was taken under Section XIV.)

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

Alderwoman Patton commented that she believed that HB2 was wrong for North Carolina's investments and the perception of the rest of the country in seeing what we have for our future. We have the potential for loss of jobs, it is bad for our economy, and we all should be concerned with the impact on the bond, perception of North Carolina, perception of Hickory. People won't be staying in our hotels or eating in our restaurants. It is giving Hickory and North Carolina a bad name, and if we want investments and growth we need to ask our Legislators to repeal the bill or change it.

Mayor Wright commented that under this section that could not be presented as a motion. He asked if that was correct.

Alderwoman Patton commented correct.

City Attorney Crone commented that was not a motion just a general comment.

Alderwoman Patton commented that she would like for Council to come out in favor of repealing HB2.

Mayor Wright thanked all the people who had spoken with their light and heartfelt opinions. He commented they were heard. The Legislators meet again very shortly and he had been told that HB2 would be one of the things that they will consider. He felt certain that Mr. Adams would take back the citizens comments to the Legislature, where ultimately this matter will have to be resolved.

Alderman Lail commented that he had read this afternoon, the 4<sup>th</sup> Circuit Court of Appeals in Virginia overturned an issue relating to transgenders using the restroom and they found that it was sex discrimination. Which calls into question Title 9 funding. He advised that he was speaking of what he had heard late this afternoon which was directly out of McCrory's mouth. He said he was going to be talking to the attorneys to see what impact that has. There is still obviously a lot of movement on this issue and a lot of opinion. He echoed what Mayor Wright had said about the folks coming out and speaking.

XIV. Closed Session Per NC General Statutes 143-318.11(a)(1)(3) to consult with the attorneys regarding the following: (Action on these items, if any, will occur in Open Session)

City Manager Mick Berry requested the addition of a closed session item which was discussion of litigation landolo vs City of Hickory (14CVS1160) NCGS §143-318.11(a)(3)

Alderman Seaver brought it to Council's attention that they failed to vote on the nomination of Ira Roberts to International Council.

Alderman Lail moved seconded by Alderman Tarlton approval of Ira Roberts to the International Council. The motion carried unanimously.

Mayor Wright announced that the motion was by Alderman Lail seconded by Alderman Tarlton and the motion carried unanimously.

Mayor Wright moved that Council go into closed session to consult with the attorneys to discuss the items below and the additional item requested, seconded by Alderman Lail. The motion carried unanimously.

April 19, 2016

Mayor Wright announced that he moved seconded by Alderman Lail and the motion carried unanimously.

1. Approval of Closed Session Minutes of February 16, 2016 - NCGS §143-318.11(a)(1)
2. Discussion of Litigation – Willie James Grimes vs. City of Hickory, et. al. File No. 5:14-CV—160 - NCGS §143-318.11(a)(3)

No action was taken upon return to open session.

XV. There being no further business, the meeting adjourned at 8:57 p.m.

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Mayor

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City Clerk